

CITY OF NEWBERG COUNCIL MINUTES
JULY 2, 2012
7:00 P.M. MEETING
PUBLIC SAFETY BUILDING TRAINING ROOM (401 EAST THIRD STREET)

An executive session was held during the work session prior to the meeting pursuant to ORS 192.660(2)(d) relating to labor negotiations and ORS 192.660(2)(f) to consider information or records that are exempt by law from public inspection was held. All Councilors and the Mayor were present; no action was taken and no decisions were made.

I. CALL MEETING TO ORDER

Mayor Bob Andrews called the meeting to order at 7:12 PM.

II. ROLL CALL

Members

Present:	Mayor Bob Andrews	Denise Bacon	Ryan Howard	Stephen McKinney
	Bart Rierson	Marc Shelton	Wade Witherspoon	

Staff

Present:	Daniel Danicic, City Manager	Terrence Mahr, City Attorney
	Barton Brierley, Planning and Building Director	Norma I. Alley, City Recorder
		Jennifer Nelson, Deputy City Recorder

Others

Present: Susan Kindsvogel, David Hancock, Ron Manning, and David Haugeberg

III. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was performed.

IV. SPECIAL PRESENTATIONS

1. Consider a motion approving a proclamation declaring July 26-29, 2012, as Old Fashioned Festival Week.

MOTION: Rierson/Shelton approving a proclamation declaring July 26-29, 2012, as Old Fashioned Festival Week. Motion carried (7 Yes/0 No).

V. CITY MANAGER'S REPORT

Mr. Daniel Danicic, City Manager, reported the annual water report was mailed as well as the advertisement issued for the Assistant City Manager to several venues. Applications are due August 3, 2012, with a candidate selected by October or November. The Newberg Animal Shelter's outer shell is close to completion and the parking lot paving will be completed with dryer weather. When the keys are received the Newberg Animal Shelter Friends (NASF) and Habitat for Humanity will be working together on the interior improvements to begin housing animals by the end of summer. After completion, he will return to Council to discuss what to do with the old animal shelter site.

VI. PUBLIC COMMENTS

None.

VII. CONSENT CALENDAR

Consider a motion approving a sound permit for the Chamber of Commerce's Tunes on Tuesday held during the months of July and August.

MOTION: **Rierson/Howard** approving the Consent Calendar including a sound permit for the Chamber of Commerce's Tunes on Tuesday held during the months of July and August. Motion carried (7 Yes/0 No).

VIII. PUBLIC HEARINGS

Consider a motion adopting **Ordinance No. 2012-2755** approving findings for annexation of two parcels and scheduling it for the November 6, 2012, General Election.

TIME – 7:20 PM

Mayor Andrews introduced the legislative hearing in the first reading and called for any conflicts of interest or abstentions; none appeared.

Mr. Barton Brierley, Planning and Building Director, presented the staff report accompanied by a PowerPoint (see official meeting packet for full report).

Councilor Marc Shelton asked if there were still parcels not included in the city and if there have been any discussions with other parties. Staff said there were parcels still not included, both owners had discussions with their neighbors, but no others came forth by the deadline.

Mayor Andrews opened the public testimony for proponents to speak.

Ms. Susan Kindsvogel said when they had a previous hardship to connect to city sewer the City requested they annex prior to selling the property. They decided to annex through the batch process so they would have the freedom to consider selling the property.

Mr. David Hancock said he is a property owner next to the site to be annexed and his water line runs under that property. He asked if he could speak with anyone about how this affects his property line. Mr. Danicic replied when development occurs there will be a sign posted and since he is adjacent to the property he will receive written notification and given an opportunity to ask for special conditions. Mr. Brierley added the City is aware of the private water line through the property from the water district out there and suggested he speak with the applicant, Mr. Ron Manning, as accommodations will have to be made.

Mayor Andrews closed the public testimony and staff recommended adoption; the public hearing was closed.

MOTION: **Witherspoon/Rierson** to waive the 2nd reading requirement. Motion carried (7 Yes/0 No).

MOTION: **Shelton/McKinney** to adopt **Ordinance No. 2012-2755** finding two properties, Yamhill County tax lot 3218AB-1101, located just south of 2119 Crater Lane, and tax lot 3221BB-00300, located at 208 N. Springbrook Road, meet the applicable Newberg Development Code criteria to be annexed into the city and to change the current zoning designations of both properties from Yamhill County VLDR1 to City R-2, and declaring that these two properties be annexed into the City of Newberg and withdrawn from the Newberg Rural Fire Protection District subject to a public vote; and authorizing and directing the city elections officer to certify to the Yamhill County Clerk a ballot title for the measure to be submitted to the electorate of the City of Newberg for their approval of an annexation of these properties, read by title only. Motion carried (7 Yes/0 No).

IX. NEW BUSINESS

1. Consider a motion adopting **Resolution No. 2012-3009** authorizing the city manager to sign an Intergovernmental Agreement for the Newberg-Dundee Bypass Construction Project funding.
TIME – 7:40 PM

Mayor Andrews passed the roving gavel to Councilor Wade Witherspoon who introduced the resolution.

Mr. Terrence Mahr, City Attorney, presented the staff report and recommended approval (see official meeting packet for full report).

Councilor Shelton discussed section six on page 89 of the packet and asked if the pay off terms are ahead of the other cities are they still obligated to the other sections. Mr. Mahr said they anticipate not being liable for the whole \$16 million if it is paid off ahead of time because there will be separate loan agreements. Councilor Shelton asked what the language about fulfilling the obligation “but shall remain subject to all other terms and provisions” means for Newberg. Mr. Mahr said it means the cooperation of the IGA but there will be no other liability outside of the loan agreement.

Councilor Stephen McKinney asked about there being no insurance of the funds collected for payment of this note and the possibility the final IGA may come to us not including the funds. Mr. Mahr said the IGA will be as presented tonight, but there are no guarantees the final loan agreement will be limited to those funds. Other cities did not limit their liability to those funds and the County is not intending to either, so the question is to look at the final loan documents to see if we can negotiate with the Oregon Department of Transportation (ODOT) to limit just to those funds. Councilor McKinney asked if there is anything in the agreements by discussion or consensus where we have limited our participation to collected funds or taxations only. Mr. Mahr referred to section four and the sources of loan repayment, stating each local government can make the election of revenue payable.

Councilor Ryan Howard asked staff to clarify section four and the cooperative fund exchanges. Mr. Mahr said there is some money from federal transportation that goes to the State. The State trades with us and we pay a 6% administrative fee. It was thought to be more economical to give the money directly to the loan and save on paying the 6%.

Councilor Witherspoon opened the public testimony.

Mr. David Haugeberg reported the City of McMinnville approved the IGA and the Yamhill County Board of Commissioners will consider it for approval on Thursday. The City of Dundee will be considering the same IGA during their council meeting tomorrow evening.

Councilor Howard asked how likely it was that ODOT would be receptive to our goal of not committing more funds than will be generated since they are hesitant to commit more with the gas tax being seen as a waning source of revenue. He asked about this causing a higher interest rate on the loan. Mr. Haugeberg said during the credit application process the amount of money pledged to the debt clearly affects the rate of interest. He cannot tell how ODOT will see that limitation when they are making the pledge to borrow money and cannot answer in terms of the loan application. It is yet to be determined and this IGA does not commit any entities to specific terms on the loan; each entity needs to negotiate the terms.

Mr. Mahr made the final staff recommendation to pass the resolution approving the IGA and authorizing the city manager to sign and file the joint application. He said it is a high priority of the City of Newberg and is required with the local batch and the goals they are trying to accomplish.

MOTION: Andrews/Bacon approving **Resolution No. 2012-3009** approving an Intergovernmental Agreement with Yamhill County, the City of Dundee, and the City of McMinnville for the Phase I of the Newberg-Dundee Bypass Project, providing for joint-cooperation in filing an application for a loan from the Oregon Department of Transportation (“ODOT”) for the funding of the local match for the Project, and authorizing the City Manager to file the joint-application.

Councilor Rierson said this is a good deal for Newberg and has been the most important transportation project for the last 40 to 50 years. He said it was appropriate and he intends to support the resolution.

Mayor Andrews said he will vote yes and looks forward to the evolution of this.

Councilor Shelton said he supports the consideration of the IGA for foresight and partnership with the other entities. He said a lot of work has been done with cooperation of other agencies on the behalf of improving transportation through our cities.

VOTE: To approve **Resolution No. 2012-3009**. Motion carried (7 Yes/0 No).

2. Consider a motion adopting **Resolution No. 2012-3013** authorizing the city manager to enter into a Memorandum of Understanding between the City of Newberg and Willamette Water Trail Partnership.

TIME – 8:00 PM

Mayor Andrews introduced the resolution.

Councilor Rierson presented the staff report and recommended adoption (see official meeting packet for full report).

Councilor Shelton referred to the Request for Council Action (RCA) and the MOU under responsibility on page 96 and working together to respect private property; he asked how this assures that will happen. Councilor Rierson replied Oregon State Statutes allow access on waterways up to the high water line. An editorial last week brought up issues of people abusing access by crossing over private property to get to the beach or river. There is a guide specifically listing private property areas and encouraging people not to do that along with providing specific signage to prevent using private property. He said an educational component with this is a key element; but, trespassing is highly discouraged.

Councilor Howard asked if the Chehalem Parks and Recreation District (CPRD) was asked to participate. Councilor Rierson replied they were.

MOTION: Howard/Rierson adopting **Resolution No. 2012-3013** authorizing the city manager to enter into a Memorandum of Understanding between the City of Newberg and Willamette Water Trail Partnership. Motion carried (7 Yes/0 No).

X. COUNCIL BUSINESS

TIME – 8:12 PM

Mr. Danicic discussed the possible sale or lease of properties by Oliver and Otis springs by Medici Vineyards and Rex Hill Winery asking for Council direction. Council asked about use of the springs for operation, ensuring easements remain, the affects of long range plans, divestiture of the springs system, and possibly waiting until those issues are dealt with first.

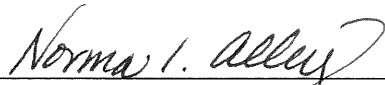
Mr. Danicic brought up the LOC legislative priorities. They identified areas of interest from the list being jobs and economic development, the transient lodging tax (TLT), the property tax system, the court fining system, arbitration decisions, renewing the 911 tax, consolidation of public communications, and deleting the moratorium on gas taxes. Mr. Danicic asked Council to look at these prior to the work session discussion on July 16th to narrow them down to the top four or five.

Mr. Danicic added since the budget has been adopted they will start moving into next years budget process a little earlier and spoke of scheduling additional council work sessions on Monday nights to discuss the budget, review goals, and review visioning documents and master plans to prioritize services and fill gaps. He also discussed using a facilitator for these meetings.

XI. ADJOURNMENT

The meeting adjourned at 8:42 PM.

ADOPTED by the Newberg City Council this 6th day of August, 2012.



Norma I. Alley, MMC, City Recorder

ATTEST by the Mayor this 9th day of August, 2012.



Bob Andrews, Mayor